



DEPARTMENT OF THE TREASURY

Internal Revenue Service

Privacy Act of 1974; System of Records

AGENCY: Internal Revenue Service, Treasury.

ACTION: Notice of a new matching program.

SUMMARY: Pursuant to section 552a(e)(12) of the Privacy Act of 1974, as amended, and the Office of Management and Budget (OMB) Guidelines on the Conduct of Matching Programs, notice is hereby given of the conduct of the Internal Revenue Service (IRS) Disclosure of Information to Federal, State and Local Agencies (DIFSLA) Computer Matching Program.

DATES: Comments on this matching notice must be received no later than 30 days after date of publication in the Federal Register. If no public comments are received during the period allowed for comment, the re-established agreement will be effective January 1, 2021, provided it is a minimum of 30 days after the publication date.

Beginning and completion dates: The matches are conducted on an ongoing basis in accordance with the terms of the computer matching agreement in effect with each participant as approved by the applicable Data Integrity Board(s). The term of these agreements is expected to cover the 18-month period, January 1, 2021 through June 30, 2022. Ninety days prior to expiration of the agreement, the parties to the agreement may request a 12-month extension in accordance with 5 U.S.C. 552a(o).

ADDRESSES: Inquiries may be sent by email to gl.ds.cmpa@irs.gov or by mail to the Internal Revenue Service; Privacy, Governmental Liaison and Disclosure; Data Services; ATTN: Patricia Grasela, Program Manager, 2970 Market Street, BLN: 2-Q08.124, Philadelphia, PA 19104.

FOR FURTHER INFORMATION CONTACT: Internal Revenue Service; Privacy, Governmental Liaison and Disclosure; Data Services; ATTN: Patricia Grasela, Program Manager, 2970 Market Street, BLN: 2-Q08.124, Philadelphia, PA 19104. Telephone: 267-466-5564 (not a toll-free number).

SUPPLEMENTARY INFORMATION: The notice of the matching program was last published at 83 FR 27082-083 (June 11, 2018). The Nevada Department of Health and Human Services is no longer participating in the DIFSLA Computer Matching Program. Members of the public desiring specific information concerning an ongoing matching activity may request a copy of the applicable computer matching agreement at the address provided above.

PARTICIPATING AGENCIES: *Name of Recipient Agency:* IRS.

Categories of records covered in the match: Information returns (*e.g.*, Forms 1099-DIV, 1099-INT, and W-2G) filed by payers of unearned income in the IRS Information Returns Master File (IRMF) (Treasury/ IRS 22.061).

Name of source agencies and categories of records covered in the match:

- A. Federal agencies expected to participate and their Privacy Act systems of records are:
1. Department of Veterans Affairs: Veterans Benefits Administration— Compensation, Pension and Education and Rehabilitation Records-VA, 58 VA 21/22; and Veterans Health Administration—Healthcare Eligibility Records, 89 VA 19; and
 2. Social Security Administration, Office of Systems Requirements— Supplemental Security Income Record and Special Veterans Benefits, (60–0103).
- B. State agencies expected to participate using non-federal systems of records are:
1. Alabama Department of Human Resources
 2. Alabama Medicaid Agency

3. Alaska Department of Health & Social Services, Division of Public Assistance
4. Arizona Department of Economic Security
5. Arkansas Department of Human Services
6. California Department of Social Services
7. Connecticut Department of Social Services
8. Delaware Department of Health & Social Services
9. District of Columbia Department of Human Services
10. Florida Department of Children & Families
11. Georgia Department of Human Services, Division of Family and Children Services
12. Hawaii Department of Human Services
13. Idaho Department of Health & Welfare
14. Illinois Department of Human Services
15. Indiana Family & Social Services Administration
16. Iowa Department of Human Services
17. Kansas Department for Children and Families
18. Kentucky Cabinet for Health and Family Services
19. Louisiana Department of Health
20. Louisiana Department of Children and Family Services
21. Maine Department of Health & Human Services
22. Maryland Department of Human Services
23. Massachusetts Department of Transitional Assistance
24. Michigan Department of Health & Human Services
25. Minnesota Department of Human Services

26. Mississippi Department of Human Services
27. Mississippi Division of Medicaid
28. Missouri Department of Social Services
29. Montana Department of Public Health & Human Services
30. Nebraska Department of Health & Human Services
31. New Hampshire Department of Health & Human Services, Division of Economic & Housing Stability, Bureau of Family Assistance
32. New Jersey Department of Human Services
33. New Mexico Human Services Department
34. New York State Office of Temporary & Disability Assistance
35. North Carolina Department of Health & Human Services
36. North Dakota Department of Human Services
37. Ohio Department of Job and Family Services
38. Ohio Department of Medicaid
39. Oklahoma Department of Human Services, Adult & Family Services
40. Oregon Health Authority, Department of Human Resources
41. Pennsylvania Department of Human Services
42. Rhode Island Department of Human Services
43. South Carolina Department of Social Services
44. South Dakota Department of Social Services
45. Tennessee Department of Human Services
46. Texas Health and Human Services Commission
47. Utah Department of Workforce Services

48. Vermont Department of Children and Families, Economic Services Division
49. Virginia Department of Social Services
50. Washington Department of Social & Health Services
51. Wisconsin Department of Children & Families
52. Wyoming Department of Family Services

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM: In accordance with section 6103(l)(7) of the Internal Revenue Code (IRC), the Secretary shall, upon written request, disclose current return information from returns with respect to unearned income from the IRS files to any federal, state, or local agency administering a program listed below:

- (i) A state program funded under part A of title IV of the Social Security Act;
- (ii) Medical assistance provided under a state plan approved under title XIX of the Social Security Act, or subsidies provided under section 1860D-14 of such Act;
- (iii) Supplemental security income benefits provided under title XVI of the Social Security Act, and federally administered supplementary payments of the type described in section 1616(a) of such Act (including payments pursuant to an agreement entered into under section 212(a) of Pub. L. 93–66);
- (iv) Any benefits provided under a state plan approved under title I, X, XIV, or XVI of the Social Security Act (as those titles apply to Puerto Rico, Guam, and the Virgin Islands);
- (v) Unemployment compensation provided under a state law described in section 3304 of the IRC;
- (vi) Assistance provided under the Food and Nutrition Act of 2008;
- (vii) State-administered supplementary payments of the type described in section 1616(a) of the Social Security Act (including payments pursuant to an agreement entered into under section

212(a) of Pub. L. 93–66);

(viii)(I) Any needs-based pension provided under chapter 15 of title 38, United States Code, or under any other law administered by the Secretary of Veterans Affairs;

(viii)(II) parents' dependency and indemnity compensation provided under section 1315 of title 38, United States Code;

(viii)(III) Health-care services furnished under sections 1710(a)(2)(G), 1710(a)(3), and 1710(b) of such title.

PURPOSE: The purpose of this program is to prevent or reduce fraud and abuse in certain federally assisted benefit programs while protecting the privacy interests of the subjects of the match. Information is disclosed by the IRS only for the purpose of, and to the extent necessary in, determining eligibility for, and/or the correct amount of, benefits for individuals applying for or receiving certain benefit payments.

CATEGORIES OF INDIVIDUALS: Individuals applying for or receiving benefits under federal and state administered programs.

CATEGORIES OF RECORDS: The source Agency will furnish the IRS with records in accordance with the current IRS Publication 3373, DIFSLA Handbook. The Agency may request return information on a monthly basis for new applicants. The Agency may request information with respect to all beneficiaries once per year. The requests from the Agency will include: the Social Security Number (SSN) and name control (first four characters of the surname) for each individual for whom unearned income information is requested. IRS will provide a response record for each individual identified by the Agency. The total number of records will be equal to or greater than the number of records submitted by the Agency. In some instances, an individual may have more than one record on file. When there is a match of individual SSN and name

control, IRS will disclose the following to the Agency: payee account number; payee name and mailing address; payee taxpayer identification number (TIN); payer name and address; payer TIN; and income type and amount.

SYSTEM(S) OF RECORDS: Public Law 98-369, Deficit Reduction Act of 1984, requires the Agency administering certain federally assisted benefit programs to conduct income verification to ensure proper distribution of benefit payments. The records in this match are to be disclosed only for purposes of, and to the extent necessary in, determining eligibility for, or the correct amount of benefits under, these programs.

IRS will extract return information with respect to unearned income from the Information Returns Master File (IRMF), Treas/IRS 22.061, as published at 80 FR 54081-082 (September 8, 2015), through the DIFSLA Computer Matching Program.

Ryan Law,

*Deputy Assistant Secretary for Privacy,
Transparency, and Records.*